

MINUTES OF AN ADJOURNED REGULAR MEETING OF THE CITY COUNCIL
AND A REGULAR MEETING OF THE REDEVELOPMENT AGENCY
OF THE CITY OF CHULA VISTA

April 16, 2002

6:00 p.m.

An Adjourned Regular Meeting of the City Council and a Regular Meeting of the Redevelopment Agency of the City of Chula Vista were called to order at 6:19 p.m. in the Council Chambers, located in the Public Services Building, 276 Fourth Avenue, Chula Vista, California.

ROLL CALL:

PRESENT: Agency/Councilmembers: Davis, Padilla, Rindone, Salas and
Chair/Mayor Horton

ABSENT: Agency/Councilmembers: None

ALSO PRESENT: Executive Director/City Manager Rowlands, Agency/City
Attorney Kaheny, and Deputy City Clerk Bennett

SPECIAL ORDERS OF THE DAY

1. RECOGNITION BY THE REDEVELOPMENT AGENCY/CITY COUNCIL OF JOHN WILLETT FOR THE CLEAN-UP OF AGENCY-OWNED PROPERTY NEAR THE CHULA VISTA NATURE CENTER

Chair/Mayor Horton read the proclamation and presented it to John Willett.

CONSENT CALENDAR

2. COUNCIL RESOLUTION NO. 2002-120 AND AGENCY RESOLUTION NO. 1773, RESOLUTION OF THE CITY COUNCIL AND THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA CREATING AN UNCLASSIFIED POSITION OF SPECIAL PLANNING PROJECT MANAGER IN SENIOR MANAGEMENT AND AMENDING THE FISCAL YEAR 2002 BUDGET TO ADD THE POSITION IN THE COMMUNITY DEVELOPMENT DEPARTMENT AND AMENDING THE FISCAL YEAR 2003 ADOPTED SPENDING PLAN THEREFOR, BASED ON SALARY SAVINGS AND UNANTICIPATED PROGRAM REVENUES

In evaluating the future work programs of the Planning & Building and Community Development Departments for the next several years, the need has been identified for a highly experienced, senior management, planning professional to work with City staff on the General Plan Update, as well as other major projects in both departments. Through discussions with the City Manager's office, it has been determined that the best way to fill this need is through the creation of a Special Planning Projects Manager position in the Community Development Department, but jointly managed with the Planning & Building Department. A candidate has been selected and will be appointed as soon as possible if Council approves the position and recommended funding. (Director of Planning and Building; Director of Community Development)

Staff recommendation: Agency/Council adopt the resolution.

ACTION: Chair/Mayor Horton moved to approve staff's recommendation and offered the Consent Calendar, heading read, text waived. The motion carried 5-0.

ORAL COMMUNICATIONS

There were none.

PUBLIC HEARINGS

3. PUBLIC HEARING TO CONSIDER GRANTING AN OWNER PARTICIPATION AGREEMENT AND SPECIAL USE PERMIT WITH ANTHONY RASO FOR THE DEVELOPMENT OF A 8,664 SQUARE FOOT RESTAURANT AND GAME CENTER (LA BELLA CAFÉ AND CALIFORNIA GAME CENTER) AT 289 G STREET WITHIN THE TOWN CENTRE I REDEVELOPMENT PROJECT AREA

Staff recommendation: That the public hearing be opened and continued to the Redevelopment Agency meeting of May 7, 2002.

Notice of the hearing was given in accordance with legal requirements, and the hearing was held on the date and at the time specified in the notice.

Chair/Mayor Horton opened the public hearing. There were no members of the public wishing to speak.

ACTION: Council/Agencymember Padilla moved to continue the time to the meeting of May 7, 2002. Council/Agencymember Davis seconded the motion and it carried 5-0.

ACTION ITEMS

4. AGENCY RESOLUTION NO. 1774, RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA APPROVING AN EXCLUSIVE NEGOTIATING AGREEMENT WITH NORTH CHULA VISTA WATERFRONT LIMITED PARTNERSHIP WITH RESPECT TO THE PROPOSED DEVELOPMENT OF A RESIDENTIAL/MIXED USE PROJECT IN THE MIDBAYFRONT SUBAREA OF THE BAYFRONT REDEVELOPMENT PROJECT AREA

In 2001, Pacifica Companies notified the City that it had signed an option agreement with Chula Vista Capital, the primary property owner of the mid-bayfront property, for the purchase and development of the approximately 97-acre site. Pacifica also indicated its desire to include in its development proposal additional lands, some of which are owned by the Redevelopment Agency. Pacifica Companies created a design team consisting of architectural, engineering, and environmental consultants, among others, to develop a conceptual master plan for the approximately 126-acre project site. The project proposes 5.8 million square feet of high quality, mixed use building area, comprised primarily of residential units, some limited commercial, up to three hotels, restaurants, recreation areas, and a community center. Pacifica Companies is a group of diversified real estate companies with an extensive real estate portfolio, including hotels, office and industrial buildings, retail shopping centers, and residential communities located throughout the United States. North Chula Vista Waterfront L.P., a limited partnership formed by principals of Pacifica Companies for development of the mid-bayfront property, has requested an Exclusive Negotiating Agreement (ENA) with the Redevelopment Agency for two years, with an optional six-month extension, to prepare plans, pursue entitlements, secure financing, and negotiate a Disposition and Development Agreement (DDA) for the project. (Community Development Director)

ACTION ITEMS (Continued)

Principal Community Development Specialist Lukes presented the project, and Assistant City Attorney Googins explained the legal protections to the City contained in the agreement.

Gordon Carrier, representing Carrier Johnson, presented the project design for the Bayfront Village preliminary master plan.

Chair/Mayor Horton stated that she would like to see the roadways further from the waterfront, with more emphasis on residential property on the west side of the road that leads into the project.

Council/Agencymember Salas spoke regarding the lack of existing quality hotels and banquet facilities in the area and conveyed the need for top quality business hotels on the proposed site.

Community Development Director Salomone stated that the proposed site would house Chula Vista's only residential area west of Interstate 5 and added that the site is transit-oriented and represents, in concept, the principles of smart growth.

Council/Agencymember Rindone explained that the project has involved years of extensive compromises and negotiations with the California Coastal Commission, and the proposed development is the small portion of the entire bayfront that has permission for development from the Coastal Commission.

Council/Agencymember Padilla asked the advantages or disadvantages that an ENA would provide to the City. Mr. Googins replied that ENA's are mutually beneficial to the developer and the Agency. An ENA provides the developer with an indication that the City is comfortable enough with the concept to provide staff resources and work with the developer over a period of time, without soliciting other proposals. Knowing that the developer will devote its time and resources to the project assures the Agency that its dedication of staff resources and efforts to the enterprise is a meaningful one.

Council/Agencymember Salas expressed concern that the proposed density of 3,400 dwelling units was too high, and that there was inadequate public accessibility to the project. She explained that one of the components of development on the bayfront should be to provide venues that would attract citizens from the eastern sector of the community. She also believed the people of Chula Vista want access to a bayfront that is environmentally sensitive.

Chair/Mayor Horton stated that approval of the ENA would set forth parameters for the conceptual development of the project, but that issues and concerns raised by the Council would be negotiated with the developer over a period of time. She added that the combined commercial development on the existing Port property and the proposed residential development would compliment one another.

Mel Hinton, representing the San Diego Audubon Society, stated that a proposed 24-story building is unacceptable and inappropriate for the bayfront and is inconsistent with the environment of the wildlife refuge. He felt that since the conceptual plan has already included 24 stories as reasonable, acceptance of the ENA would make it difficult for the Council to change the maximum building height. He added that the views of the proposed project are presented from the perspective of elevation and not the way they will be seen from either Interstate 5 or San Diego Bay.

ACTION ITEMS (Continued)

Lizabeth Dixon, representing the Local 814 hotel employees and restaurant employees union, stated that she was one of 240 employees fired from her position at the Radisson Hotel, a Pacifica Host-owned property, as a result of termination of the existing operating contract by Pacifica. She asked the Council to carefully consider awarding the ENA to Pacifica Companies.

Imelda Román, representing the Local 814 union, spoke about poor working conditions during her employ with Pacifica Host and asked the Council to take her comments into consideration before entering into the ENA with Pacifica.

Betty Martin, 379 Jason Place, opposed the proposed project. She believed that restrictions would be placed on public access to the development and that additional schools, parks, and larger freeways would be required for the area.

Peter Watry, 81 Second Avenue, urged the Council not to approve the proposed ENA, stating that it would destroy the chance for a viable bayfront plan. He believed that the proposed project would become a gated community for wealthy people.

Jim Peugh, 2776 Nipoma Street, felt that there should be public input prior to entering into the ENA with the developer. He believed that the proposed development was too dense for the area and that providing high density access between various surrounding marshes would interfere with bird flights. He urged the Council not to enter into the agreement.

Matt O'Malley, representing the Local 814 union, opposed approval of the ENA. He suggested that the Council facilitate an open public planning process that would integrate the entire Chula Vista bayfront, both the south campus and the mid-bayfront property to the north. He added that stakeholder planning meetings should be convened to incorporate workers, residents, and environmental advocates in the planning and revitalization of the bayfront.

Tom Walsh stated that the Local 814 union joins with various other groups and environmental organizations against approval of the ENA. He believed that selecting Pacifica was not in the best interests of Chula Vista workers. Mr. Walsh read a letter from the National Labor Relations Board regarding the Radisson Hotel at Los Angeles Airport and then submitted copies of the letter to the Council.

Jef Eatchel, representing the hotel restaurant union in San Diego, was opposed to the approval of the ENA, stating that the proposed project with Pacifica was not in the best interests of the community.

Ian Gill, representing Bay Boulevard Associates, L.L.C., stated that the City is in need of a tax base, and the proposed project will create great opportunities that will be well served by trolley and freeway access. He recommended that the Council move forward with the ENA.

Mitch Thompson, 5110 Glen Verde Drive, spoke regarding the public policy implications of the proposed project. He believed that a public benefits standard should be included in discussions with the developer, and he asked the Council to consider the issue of living wage standards when creating economic opportunities for businesses in the City.

ACTION ITEMS (Continued)

Karla Gonzales, 721 Oaklawn Avenue #A, spoke against approval of the ENA, expressing concern regarding past employment practices by Pacifica. She stated that Chula Vista needs to be responsible for future jobs for its residents.

Council/Agencymember Rindone asked staff to discuss the various bayfront opportunities that have been examined by both past and present Councils over the past 30 years. Mr. Salomone discussed major past projects, namely the Santa Fe Land, Barkett, and Crystal Bay projects. Agencymember Rindone explained that the land for the proposed project is not owned by the City, but by a private developer, who has a right to select a developer for a proposed development. The City has the choice of whether or not to approve proposed projects. He believed that it was prudent to look at serious proposals for the bayfront in order to ascertain whether or not they would provide amenities that would be appealing to the community.

Council/Agencymember Salas conveyed reservations regarding the proposed density, as well as environmental issues that have not been addressed. She also spoke to the issue of public access, stating that the community deserves a future plan that would be more access-friendly. She stated that she could not support the proposed ENA.

Council/Agencymember Davis pointed out that the City has, throughout the years, gathered significant public input and provided community involvement regarding bayfront projects. She explained that it was important to look at smart growth for future development, and she supported moving forward with the ENA.

Council/Agencymember Padilla stated that by working with the property owner, the City would be in a position to influence what occurs on the bayfront. He explained that the bayfront is critical to the success of Chula Vista as a community, and he believed that it was in the best interests of the City and its residents to engage the project proponent from the onset.

Council/Agencymember Rindone spoke regarding public concerns related to union issues, stating that when the time comes, the Council has shown its efforts to be attentive in assuring quality jobs and opportunities in the community.

Chair/Mayor Horton stated that smart growth has become a guide for all cities to resolve issues relating to poor infrastructure and traffic. She believed that it was important to move forward with the plan and to work together with the proponent, developer, City, and the community in developing the mid-bayfront.

ACTION: Chair/Mayor Horton then offered Agency Resolution No. 1774, heading read, text waived. The motion carried 4-1, with Council/Agencymember Salas voting no.

Chair/Mayor Horton announced a recess at 8:50 p.m. She reconvened the meeting at 9:10 p.m. with all Council/Agencymembers present.

ACTION ITEMS (Continued)

5. COUNCIL RESOLUTION NO. 2002-121 AND AGENCY RESOLUTION NO. 1775, RESOLUTION OF THE CITY COUNCIL AND THE REDEVELOPMENT AGENCY APPROVING A THREE-PARTY AGREEMENT BETWEEN THE CITY OF CHULA VISTA; DUDEK & ASSOCIATES, INC., CONSULTANT; NORTH CHULA VISTA WATERFRONT L.P., APPLICANT, FOR LAND USE CONSULTING SERVICES RELATED TO THE PREPARATION OF A PROJECT EIR FOR THE MIDBAYFRONT PROJECT, AND AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT

The applicant, North Chula Vista Waterfront L.P., is to file a Specific Plan application for the mid-bayfront project, proposing 6.4 million square feet of mixed-use building area to consist of a mix of residences, retail/commercial uses, hotels and restaurants, recreational areas, and a community center. The Planning & Environmental Services Manager in the Community Development Department has determined that the proposed project requires the preparation of an environmental impact report. It is requested that the Council and Redevelopment Agency approve the proposed contract with Dudek & Associates, Inc., for an amount not to exceed \$194,325, to provide consultant services for the preparation of the CEQA-required environmental documents for the proposed project. (Director of Community Development)

ACTION: Council/Agencymember Padilla offered Council Resolution No. 2002-121 and Agency Resolution No. 1775, headings read, texts waived. The motion carried 5-0.

OTHER BUSINESS

6. DIRECTOR'S REPORTS

There were none.

7. CHAIR/MAYOR REPORTS

There were none.

8. AGENCY/COUNCIL COMMENTS

There were none.

CLOSED SESSION

Chair/Mayor Horton announced that closed session was cancelled, and the following items were not discussed:

9. CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a)
Tuchscher vs. City of Chula Vista, Superior Court, County of San Diego, San Diego Judicial District, Court Case No. GIC758620

CLOSED SESSION (Continued)

10. CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED LITIGATION – PURSUANT TO GOVERNMENT CODE SECTION 54956.9(b)
One Case.

ADJOURNMENT

At 9:15 p.m., Chair/Mayor Horton adjourned the meeting to an Adjourned Regular Meeting of the Redevelopment Agency on April 23, 2002, at 6:00 p.m., immediately following the City Council meeting.

Susan Bigelow, CMC, City Clerk